

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF GREEN HILLS WATER) CASE NO. 2011-00437
DISTRICT)

ORDER

On November 4, 2011, Green Hills Water District ("Green Hills") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Green Hills purchases water from Pineville Utility Commission ("Pineville").
2. Pineville increased its volumetric wholesale rate to Green Hills from \$1.97 per 1,000 gallons to \$2.42 per 1,000 gallons on September 1, 2011.
3. Green Hills proposes a purchased water adjustment factor of \$0.51 per 1,000 gallons to be applied to its rates.
4. During the 12 months ending September 30, 2011, Green Hills purchased 32,734,000 gallons of water from Pineville and sold 29,168,182 gallons of water.
5. The purchased water adjustment factor of \$0.51 per 1,000 gallons is fair, just, and reasonable and should be approved.

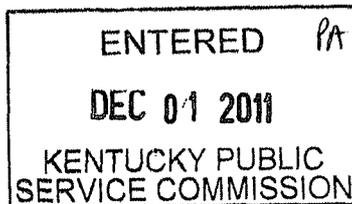
¹ KRS 278.015; 807 KAR 5:068.

6. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Green Hills renders on and after November 25, 2011.

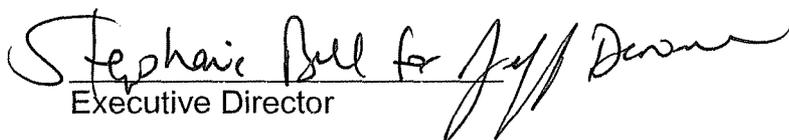
IT IS THEREFORE ORDERED that:

1. Green Hills' proposed rates are approved.
2. The purchased water adjustment factor of \$0.51 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service rendered on or after November 25, 2011.
4. Green Hills' proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00437 DATED ~~DEC 01 2011~~

	New Rate	Base Rate
Pineville		
Purchases in gallons	32,734,000	32,734,000
Volumetric rate	<u>\$2.42 /1,000</u>	<u>\$1.97/1,000</u>
	\$79,216.28	\$64,485.98
Increased water cost		\$14,730.30
Increased water cost		\$14,730.30
Divided by gallons sold		<u>29,168,182</u>
Purchased water adjustment factor		\$0.51 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00437 DATED **DEC 01 2011**

The following rates and charges are prescribed for the customers in the area served by Green Hills Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First 2,000 gallons	\$22.98	Minimum Bill
Next 6,000 gallons	8.75	per 1,000 gallons
Over 8,000 gallons	7.19	per 1,000 gallons
Leak Adjustment Rate	2.46	per 1,000 gallons
Wholesale Water Rate	3.25	per 1,000 gallons

Sherri Turner
Office Manager
Green Hills Water District
P. O. Box 116
Bledsoe, KY 40810